

STATE'S FISCAL CRISIS REACHES COURTS

California's \$23.6 billion fiscal crisis has forced Governor Davis and the Legislature to take a broad-based approach to cutting state services, resulting in more than \$155 million in funding reductions for the courts. The reductions, which will occur over a two-year period, have come in waves as lawmakers struggle to find a solution to the state's fiscal woes.

The initial round of cuts, which totaled \$105 million, were proposed by the governor in his January budget plan. The cuts were spread over two years, with \$35.8 million to be made in the current year and \$69.9 million in the upcoming fiscal year. The current year ends on June 30.

As the state's budget picture grew darker, the governor found it necessary to request an additional \$62 million in reductions for the courts in his "May Revision" to the budget. The "May Revision" is used to update the state's financial outlook, taking into account new estimates regarding revenues and expenditures.

Both house of the Legislature approved all the cuts requested by the governor, but the Budget Conference Committee found it necessary to impose even more reductions on the court as it became clear that the budget was still several billion dollars out of balance. That realization drove the Conference Committee to make an additional \$23.5 million in cuts to court programs, bringing the grand total to \$155.3 for the upcoming fiscal year.

ANTI-UPL BILL CLEARS SENATE

[Senate Bill 1459 \(Romero\)](#), the bill inspired by State Bar President Karen Nobumoto to increase the penalties for individuals who target minority and immigrant communities by posing as immigration consultants or legal advisors, was approved by the State Senate last week on a vote of 27-7. The bill now moves to the

Assembly, where it has been assigned to the Judiciary Committee.

As amended in the Senate, SB 1459 would double the current maximum jail time permissible for a conviction of a non-attorney for the unauthorized practice of law from six months to one year, mandate a jail term of 90 days to one year for a second or subsequent UPL conviction, unless the interests of justice demand otherwise; and require the court that chose not to send the recidivist offender to jail to state on the record the reasons no jail time was imposed. It would also clarify that the actual practice of law by a disbarred or suspended attorney (not merely the advertising or holding out) is prosecutable as a wobbler.

ORACLE CONTRACT HEARINGS

Oracle's \$95 million contract with the state continued to be reviewed by the Joint Legislative Audit Committee this week. Two key witnesses – a former longtime state attorney, and Oracle's lobbyist – refused to testify at separate hearings this week. The Committee is having its last hearing next week and members will be presenting some final observations and conclusions on this issue. A transcript of the hearings will be given to the Attorney General.

ANOTHER TERM LIMIT INITIATIVE

Several key legislators are working on a new term limit initiative that would be on this year's November ballot. In brief, term limits would be reduced from 14 years to 12 years. However, instead of today's system of allowing a legislator to serve for up to 6 years in the Assembly and 8 years in the Senate, the new term limit measure would permit a lawmaker to serve his or her entire 12 years in one house. A political polling firm started telephoning voters last week about what they thought of the new 12 year term limit idea.